



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**VIA FAX (803-733-1690) AND FIRST CLASS MAIL**

**SEP 19 2011**

Eleazer R. Carter, Esq.  
The Carter Law Firm  
P.O. Box 2073  
Columbia, SC 29202

RE: MUR 6314  
Gregory Brown  
Gregory Brown for Congress and  
Carol Bausinger, in her official  
capacity as treasurer

Dear Mr. Carter:

On September 15, 2011, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of your client, Gregory Brown for Congress and Carol Bausinger, in her official capacity as treasurer, in settlement of a violation of 2 U.S.C. §§ 433(a), 434(a), and 434(b), provisions of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 104.12 of the Commission's Regulations. On March 25, 2011, you were notified that the Commission found no reason to believe your client, Gregory Brown, violated 2 U.S.C. § 434(a). Accordingly, the entire file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Margaret Ritzert  
Attorney

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION  
COMMISSION  
2011 SEP -2 AM 11:14  
OFFICE OF GENERAL  
COUNSEL

**MUR 6314**

**Gregory Brown for Congress and  
Carol Bausinger, in her official capacity  
as treasurer**

This matter was initiated by a signed, sworn, and notarized complaint by Melanie Sloan and Citizens for Responsibility and Ethics in Washington, and pursuant to information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Gregory Brown for Congress and Carol Bausinger, in her official capacity as treasurer, ("Respondents" or "Committee") violated 2 U.S.C. §§ 433(a), 434(a), and 434(b), and 11 C.F.R. § 104.12.

**NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:**

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

**II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.**

### III. Respondents enter voluntarily into this agreement with the Commission.

**IV. The pertinent facts in this matter are as follows:**

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1 however, the activity during the same period was eventually disclosed in the 2010 July Quarterly  
2 Report originally filed on June 10, 2010 and later amended on June 11 and June 20, 2010.

3 Content of Disclosure Reports

4 6. The Act requires political committees to report the amount of cash-on-hand at the  
5 beginning of the reporting period, as well as identify each person who makes aggregate  
6 contributions in excess of \$200 in an election cycle. 2 U.S.C. § 434(b)(1) and (3). Commission  
7 regulations further clarify that committees which have cash-on-hand at the time of their  
8 registration shall disclose the sources of such funds on their first report. 11 C.F.R. § 104.12.  
9 The Act also requires that reports disclose the amount and nature of outstanding debts and  
10 obligations owed by the political committee. 2 U.S.C. § 434(b)(8).

11 7. Mr. Brown deposited the initial funds in the Committee's account, and thereafter the  
12 Committee ran a negative balance. The Committee's first report filed with the Commission, the  
13 2010 April Quarterly Report, discloses an initial cash balance of \$10,000, but does not disclose  
14 Mr. Brown as the source of that initial cash balance. The Amended 2010 April Quarterly Report  
15 also discloses a negative ending cash-on-hand balance of \$54,118.45, and does not disclose any  
16 debts or obligations.

17 V. 1. Respondents violated 2 U.S.C. § 433(a) by filing the Statement of  
18 Organization 74 days late.

19 2. Respondents violated 2 U.S.C. § 434(a) by filing the 2010 April Quarterly  
20 Report 56 days late and by failing to file the 2010 12-Day Pre-Primary Report.

21 3. Respondents violated 2 U.S.C. § 434(b) and 11 C.F.R. § 104.12 by failing to  
22 disclose an initial \$10,000 contribution from Mr. Brown and thereafter failing to accurately  
23 report its cash-on-hand and debt on its 2010 April Quarterly Report.

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1 VI. 1. In ordinary circumstances, the Commission would seek a substantially higher  
2 civil penalty based on the violations outlined in this agreement. However, the Commission is  
3 taking into account the fact that the Committee is defunct, has no cash on hand according to the  
4 evidence available, and has a limited ability to raise any additional funds. Respondents will pay  
5 a civil penalty to the Commission in the amount of \$4,500, pursuant to 2 U.S.C. § 437g(a)(5)(B).

6 2. Respondents will cease and desist committing violations of 2 U.S.C. §§ 433(a),  
7 434(a), and 434(b), and 11 C.F.R. § 104.12.

8 3. Respondents will amend the relevant disclosure reports to accurately reflect  
9 the contribution from Mr. Brown and debts and obligations referenced at paragraphs IV.7 and  
10 V.3 within 30 days.

11 VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.  
12 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance  
13 with this agreement. If the Commission believes that this agreement or any requirement thereof  
14 has been violated, it may institute a civil action for relief in the United States District Court for  
15 the District of Columbia.

16 VIII. This agreement shall become effective as of the date that all parties hereto have  
17 executed same and the Commission has approved the entire agreement.

18 IX. Respondents shall have no more than 30 days from the date this agreement becomes  
19 effective to comply with and implement the requirements contained in this agreement and to so  
20 notify the Commission.

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X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:

P. Christopher Hughey  
Acting General Counsel

BY:

  
Kathleen Guith  
Acting Associate General Counsel  
For Enforcement

Date

9-16-11

FOR THE RESPONDENTS:

  
Eleazer R. Carter  
Counsel

Date

August 24, 2011

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